UNITED NATIONS

UNFCCC Framework Convention on Climate Change

Distr.
GENERAL

FCCC/SBI/2002/7
2 September 2002

Original: ENGLISH

SUBSIDIARY BODY FOR IMPLEMENTATION
Seventeenth session
New Delhi, 23–29 October 2002
Item 2 (a) of the provisional agenda

PROVISIONAL AGENDA AND ANNOTATIONS

Note by the Executive Secretary*

I. INTRODUCTION

1. Arrangements have been made for the seventeenth session of the Subsidiary Body for Implementation (SBI) to be held at the Vigyan Bhawan conference centre, New Delhi, India, from 23 to 29 October 2002.

II. PROVISIONAL AGENDA

2. The provisional agenda for the seventeenth session of the SBI, proposed after consultation with the Chair, is as follows:

1. Opening of the session.
2. Organizational matters:
   - (a) Adoption of the agenda;
   - (b) Organization of the work of the session;
   - (c) Election of officers other than the Chair.
3. National communications from Parties included in Annex I to the Convention:
   - (a) Consideration of the reviews of national communications from Parties included in Annex I to the Convention;
   - (b) Status report on the review of third national communications.
4. National communications from Parties not included in Annex I to the Convention:
   - (a) Consideration of the fourth compilation and synthesis of initial national communications;

* The submission of this document was delayed because necessary information could not be obtained in time.

GE. *0202063842*

ENG

(b) Revision of the guidelines for the preparation of national communications from Parties not included in Annex I to the Convention;

(c) Work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention;

(d) Provision of financial and technical support.

5. Financial mechanism:

(a) Report of the Global Environment Facility;

(b) Funding under the Convention;

(c) Review of the financial mechanism;

(d) Additional guidance to an operating entity of the financial mechanism.

6. Capacity-building.

7. Implementation of Article 4, paragraphs 8 and 9, of the Convention:

(a) Progress on the implementation of activities under decision 5/CP.7;

(b) Matters relating to the least developed countries.

8. Request from a group of countries of Central Asia and the Caucasus, Albania and the Republic of Moldova regarding their status under the Convention.

9. Arrangements for intergovernmental meetings:

(a) Arrangements for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

(b) Date and venue of the ninth session of the Conference of the Parties;

(c) Effective participation in the Convention process.

10. Administrative and financial matters:

(a) Audited financial statements for the biennium 2000–2001;

(b) Interim financial performance for the biennium 2002–2003;

(c) Possible options for responding to late payment of contributions;

(d) Implementation of the Headquarters Agreement.

11. Other matters:

(a) Proposal by Croatia on land use, land-use change and forestry;

(b) Any other matters.

12. Report on the session.

III. ANNOTATIONS TO THE PROVISIONAL AGENDA

1. Opening of the session

3. The seventeenth session of the SBI is scheduled to be opened by the Chair on 23 October 2002.

2. Organizational matters

(a) Adoption of the agenda

4. The provisional agenda for the seventeenth session of the SBI contained in document FCCC/SBI/2002/7 will be presented for adoption.

(b) Organization of the work of the session

5. Parties are invited to refer to the proposed schedule of work contained in annex I to the annotations to the provisional agenda of the Conference of the Parties (see FCCC/CP/2002/1/Add.1) and to consult the Daily Programme, published during the session, for a more detailed and up to date schedule of work of the SBI.

(c) Election of officers other than the Chair

6. **Background:** Pursuant to rule 27 of the draft rules of procedure being applied, the SBI is expected to elect its Vice-Chair and Rapporteur. The Chair will undertake consultations with the coordinators of the regional groups. Early agreement on the nominations by the regional groups will enable the SBI to continue its substantive work in an efficient manner. The current officers of the SBI will remain in office until their successors are elected.

7. **Action:** The SBI will be invited to elect its Vice-Chair and Rapporteur.

3. National communications from Parties included in Annex I to the Convention

(a) Consideration of the reviews of national communications from Parties included in Annex I to the Convention

8. **Background:** The SBI at its sixteenth session considered suggestions relating to the further improvement of the review process and agreed to continue this consideration at its seventeenth session (see FCCC/SBI/2002/6). To facilitate the consideration, the secretariat has prepared a brief summary of the views expressed by Parties at the sixteenth session of the SBI and indicated which issues could be considered in more detail (see FCCC/SBI/2002/INF.6). The compilation of the national inventory data for the period 1990–2000, including information on trends in emissions, are contained in document FCCC/SB/2002/INF.2.

9. **Action:** The SBI may wish to conclude its discussion on the suggestions contained in document FCCC/SBI/2002/3, taking into account the views of Parties summarized in FCCC/SBI/2002/INF.6, with a view to recommending a draft decision to the Conference of the Parties at its eighth session (COP 8) for its consideration and adoption. The SBI may also wish to consider and recommend a decision on the date of submission of fourth national communications from Parties included in Annex I to the Convention (Annex I Parties) to the COP for its consideration and adoption. The SBI may also wish to take into consideration information contained in document FCCC/SB/2002/INF.2.

(b) Status report on the review of third national communications

10. **Background:** The COP, by its decision 33/CP.7, requested the secretariat to apply the procedures for the review of national communications, including in-depth reviews, as defined in decisions 2/CP.1 and 6/CP.3, to the third national communications submitted by Annex I Parties in accordance with decision 11/CP.4.[1] The status report on the review of third national communications is contained in document FCCC/SBI/2002/INF. 7.

11. **Action:** The SBI may wish to take note of the status report and provide any guidance to the secretariat.

4. National communications from Parties not included in Annex I to the Convention

(a) Consideration of the fourth compilation and synthesis of initial national communications

12. **Background:** The COP, by its decision 30/CP.7, requested the secretariat to prepare the fourth compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention (non-Annex I Parties), based on the national communications submitted between 1 June 2001 and 1 June 2002, and an executive summary covering all the initial national communications submitted as at 1 June 2002. The reports will be available to the subsidiary bodies at their seventeenth sessions, and to the COP at its eighth session. The fourth compilation and synthesis report, based on 31 new initial national communications, is contained in document FCCC/SBI/2002/16 and the executive summary, based on 83 initial national communications is contained in document FCCC/SBI/2002/8.

13. **Action:** The SBI may wish to consider the documents mentioned above and to recommend draft conclusions and/or a draft decision to COP 8 for consideration and adoption.

(b) Revision of the guidelines for the preparation of national communications from Parties not included in Annex I to the Convention

14. **Background:** The COP, by its decision 32/CP.7, decided to continue the process of reviewing the guidelines for the preparation of national communications from non-Annex I Parties in accordance with decision 8/CP.5, with a view to improving these guidelines at the eighth session of the COP (FCCC/CP/1999/6/Add.1). The improvement of the guidelines is to take into account, inter alia, information contained in the third compilation and synthesis report (FCCC/SBI/2001/14) and information contained in national communications submitted as at 31 December 2001, as well as the recommendations of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE).

15. The draft guidelines for the preparation of national communications from non-Annex I Parties were prepared by the secretariat in accordance with decision 32/CP.7, and were presented as a Chairman's text for the consideration by SBI 16 (FCCC/SBI/2002/INF.2, annex I). The SBI took note of the views expressed by Parties on the need to further consider the SBI Chairman's text and recalled decision 32/CP.7 requesting the submission of views from Parties on the proposed guidelines, with a view to improving them at COP 8. Decision 32/CP.7 also requested the secretariat to prepare an information document containing these views of Parties for consideration by the subsidiary bodies at

---

[1] For the full texts of decisions adopted by the Conference of the Parties at its first, third, fourth and seventh sessions, see documents FCCC/CP/1995/7/Add.1, FCCC/CP/1997/7/Add.1, FCCC/CP/1998/16/Add.1 and FCCC/CP/2001/13/Add.1-4, respectively.

their seventeenth sessions. The proposed improved guidelines are contained in document FCCC/SBI/2002/INF.8 and information on the views from Parties is contained in document FCCC/SBI/2002/INF.9.

16. **Action:** The SBI may wish to consider the proposed improved guidelines and information on the views from Parties contained in the above-mentioned documents with a view to recommending to COP 8 a draft decision regarding the adoption of improved guidelines.

(c) Work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention

17. **Background:** The COP, by its decision 31/CP.7, decided that in addition to the mandate of the CGE contained in the annex to decision 8/CP.5, the CGE shall (i) identify and assess technical problems and constraints that have affected the preparation of initial national communications by non-Annex I Parties that have yet to complete them, and make recommendations for consideration by the subsidiary bodies; and (ii) provide input to the draft improved guidelines for the preparation of national communications of non-Annex I Parties. Decision 31/CP.7 also mandated the CGE to conduct two workshops in 2002 with the objective of sharing experience in order to ensure adequate coverage of the matters described above. The first workshop took place in Bonn from 10 to 12 April 2002, and the second took place in Nassau, Bahamas, from 8 to 10 August 2002. The report of the first workshop, submitted to and considered by SBI 16, is contained in document FCCC/SBI/2002/INF.3. The report of the second workshop is contained in document FCCC/SBI/2002/INF.10.

18. In addition to the two workshops, the CGE held its fifth meeting from 30 to 31 May 2002 in Bonn. An oral report on this meeting was presented by its Chair to SBI 16. The SBI took note of that report and invited Parties to submit views on a possible new mandate and terms of reference of the CGE, and requested the secretariat to compile these submissions into a miscellaneous document, for consideration by SBI 17, with a view to recommending a draft decision for COP 8; the compilation of the submissions from Parties is contained in document FCCC/SBI/2002/MISC.6. An oral report on the work completed by the CGE during the period 2000–2002 will be presented by its Chair to SBI 17.

19. The CGE also prepared its report, contained in document FCCC/SBI/2002/15, for presentation to SBI 17, taking into account the conclusions and recommendations of the two workshops, its fifth meeting, and the recommendations contained in its report to SBI 15 (FCCC/SBI/2001/15).

20. **Action:** The SBI may wish to take note of the information and recommendations contained in the above-mentioned documents, and the oral report on the sixth meeting of the CGE, with a view to recommending a draft decision on the new mandate and terms of reference of the CGE.

(d) Provision of financial and technical support

21. **Background:** The secretariat is mandated by Article 8.2(c) of the Convention to facilitate the provision of financial and technical support to developing countries, in particular for the preparation of national communications. The report on the activities of the secretariat in response to this mandate is contained in document FCCC/SBI/2002/INF.11. The report also includes information on the status of preparation of national communications from non-Annex I Parties, based on responses from these Parties to a questionnaire distributed by the secretariat and on information provided by the GEF and its implementing agencies. A summary of the status of preparation of national communications from non-Annex I Parties is posted on the secretariat web site

(http://www.unfccc.int/program/nai/ncweb0209.pdf). This information is regularly updated and is made available to Parties in hard copy on request.

22. Document FCCC/SBI/2002/INF.12 contains information received from the GEF secretariat on the financial support provided to non-Annex I Parties for the preparation of their national communications, including the date of first disbursement, and the funds made available to each Party in accordance with decision 10/CP.2, paragraph 1 (b).

23. In response to decision 12/CP.4, the secretariat has made available on the UNFCCC web site a list of projects proposed by non-Annex I Parties in accordance with Article 12.4 of the Convention (http://www.unfccc.int/program/nai/ncweb0208.pdf). This list is regularly updated, based on new information provided by Parties in their national communications. It is available to Parties in hard copy on request.

24. **Action:** The SBI may wish to take note of the above-mentioned documents and to provide further guidance to the secretariat on activities to facilitate assistance to non-Annex I Parties in the preparation of their national communications.

5. Financial mechanism

(a) Report of the Global Environment Facility

25. **Background:** The Memorandum of Understanding between the COP and the Council of the Global Environment Facility (GEF), annexed to decision 12/CP.2, provides, inter alia, that the GEF will make available to the COP annual reports which should include specific information on how the GEF has applied the guidance and decisions of the COP in its work relating to the Convention. The report dated 23 August 2002 to COP 8 is contained in document FCCC/CP/2002/4.

26. **Action:** The SBI may wish to consider the report of the GEF and to recommend draft conclusions and/or a draft decision for consideration and adoption by COP 8.

(b) Funding under the Convention

27. **Background:** The COP, by its decision 7/CP.7, established a special climate change fund to finance activities, programmes and measures, relating to climate change, that are complementary to those funded by resources allocated to the climate change focal area of the GEF and by bilateral and multilateral funding. It also decided to invite Parties included in Annex II, and other Parties included in Annex I that are in a position to do so, to contribute to the fund. By the same decision, the COP also established the Least Developed Countries Fund (LDC Fund) to support the work programme for the least developed countries that includes, inter alia, national adaptation programmes of action (NAPAs) in accordance with decision 5/CP.7, Section II, "Implementation of Article 4, paragraph 9, of the Convention" (see also agenda item 7 (b)). These funds shall be operated by an entity entrusted with the operation of the financial mechanism, under the guidance of the COP.

28. The COP also invited that entity to make the necessary arrangements for the purpose of establishing these funds and to report thereon to COP 8 (decision 7/CP.7, para. 7).

29. In addition, the COP decided to provide guidance to the entity referred to above, on the modalities for operating these funds, including expedited access (decision 7/CP.7, para. 8). By means of decision 27/CP.7, the COP provided guidance to the entity in relation to the operation of the LDC Fund. However, the COP is yet to provide guidance in relation to the operation of the special climate change fund.

30. **Action:** The SBI may wish to consider the report of the GEF on the issue of funding under the Convention, and to recommend draft conclusions and/or a draft decision, as appropriate, to COP 8 for consideration and adoption. The SBI may also wish to consider giving guidance to the GEF in relation to the operation of the special climate change fund, taking into consideration discussions on further guidance on the operation of the LDC fund under agenda item 7 (b), and to recommend a draft decision to COP 8 for consideration and adoption.

(c) Review of the financial mechanism

31. **Background:** In accordance with Article 11, paragraph 4, of the Convention, the COP at its first session and by its decision 9/CP.1, decided that the review of the financial mechanism should take place within four years. At its second session, by decision 11/CP.2, the COP requested the SBI at its fifth session to undertake the review and report on the outcome to COP 3. This review process, which was initiated in the fifth session of the SBI, concluded at COP 4, with the adoption of decision 3/CP.4 and its annex.

32. The completion of the first review of the financial mechanism at COP 4 resulted in the GEF being designated as an entity that operates the financial mechanism of the Convention, and in the adoption of the guidelines for the second and subsequent reviews of the financial mechanism, as contained in the annex to decision 3/CP.4. The guidelines outline the objectives, methodology and criteria to be used to assess the effectiveness of the financial mechanism. The second review of the financial mechanism has to be completed before COP 8.

33. The second review process was initiated at SBI 16. At the same session, the SBI invited all Parties, intergovernmental organizations and non-governmental organizations to submit their views on the financial mechanism, taking into consideration the criteria for assessing the financial mechanism contained in the annex to decision 3/CP.4, no later than 8 July 2002. Submissions from Parties and intergovernmental organizations are compiled in document FCCC/SBI/2002/MISC.2. Views from non-governmental organizations are contained in web-only text FCCC/WEB/2002/6.

34. The SBI, at its sixteenth session, also requested the secretariat, to prepare a synthesis report on the financial mechanism for consideration at its seventeenth session, on the basis of submissions received, the Second Overall Performance Study of the GEF, published in January 2002, and other GEF documents, including GEF Council documents relevant for the assessment of the effectiveness of the financial mechanism. The report is contained in document FCCC/SBI/2002/14.

35. **Action:** The SBI may wish to consider the synthesis report and submissions from Parties and intergovernmental and non-governmental organizations, and to recommend a draft decision to COP 8 for consideration and adoption.

(d) Additional guidance to an operating entity of the financial mechanism

36. **Background:** Decision 6/CP.7 describes activities to be funded by the GEF, with reference also to activities identified in paragraph 7 of decision 5/CP.7. It also requested the GEF to provide financial resources to implement the capacity-building framework annexed to decision 2/CP.7. Decisions 4/CP.7 and 5/CP.7 request the GEF to provide financial resources for the implementation of other activities outlined in these decisions. However, the relevant provisions on these additional activities were not included in decision 6/CP.7 and therefore the GEF would need additional guidance to act on them.

37. The SBSTA, at its sixteenth session, invited the SBI to consider, at its seventeenth session, the issue of financial and technical support for the implementation of a work programme on Article 6 of the

Convention, taking into account decision 6/CP.7, paragraph 1 (h) with a view to adopting a decision at COP 8.

38. At the same session, the SBSTA invited the GEF to report on its progress and/or plans to support action plans drawn up at the regional workshops of the Global Climate Observing System (GCOS), including on the provision of financial support, in the context of its report to the COP at its eighth and subsequent sessions.

39. **Action:** The SBI may wish to include in its consideration on additional guidance to the GEF the relevant provisions of decisions 4/CP.7 and 5/CP.7, as well as provision of the financial and technical support for the implementation of the work programme on Article 6 and the support to the action plans of the GCOS, and to recommend a consolidated draft decision to COP 8 for consideration and adoption.

6. Capacity-building

40. **Background:** The COP, by its decisions 2/CP.7 and 3/CP.7, adopted the frameworks for capacity-building in developing countries and in countries with economies in transition. The SBI, at its sixteenth session, took note of the report made by the secretariat on the status of implementation of the above-mentioned decisions and invited Parties to submit, by 20 August 2002, their views on the extent to which the implementation of the national capacity needs self assessments funded by the GEF addresses activities identified under the initial scope of needs and areas for capacity-building listed in the annex to decision 2/CP.7. Views from Parties are compiled in document FCCC/SBI/2002/MISC.7. The secretariat will provide a report on progress made so far to implement the frameworks.

41. **Action:** The SBI may wish to take note of the information provided in the report and consider views from Parties contained in document FCCC/SBI/2002/MISC.7. The SBI may wish to take action to further advance the implementation of the frameworks on capacity-building. The SBI may wish to recommend draft conclusions and/or a draft decision to COP 8 for its consideration and adoption.

7. Implementation of Article 4, paragraphs 8 and 9, of the Convention

(a) Progress on the implementation of activities under decision 5/CP.7

42. **Background:** The COP, by its decision 5/CP.7, identified additional actions needed to advance the implementation of Article 4, paragraphs 8 and 9, of the Convention. By the same decision, the secretariat was requested, inter alia, to organize a workshop on the status of modelling activities to assess the adverse effects of climate change and the impact of response measures already implemented on individual developing country Parties. This workshop took place from 16 to 18 May 2002, and its report is contained in document FCCC/SBI/2002/9. The SBI, at its sixteenth session, invited Parties to submit views on issues relating to the above-mentioned workshop, and to make progress in the implementation of decision 5/CP.7, by 1 August 2002. These views are compiled in document FCCC/SBI 2002/MISC.3.

43. The COP, by its decision 5/CP.7, also requested the secretariat to organize two workshops, before COP 8, on (i) insurance and risk assessment in the context of climate change and extreme weather events, and (ii) insurance-related actions to address the specific needs and concerns of developing country Parties arising from the adverse effects of climate change and from the impact of the implementation of response measures. Dates of these workshops are to be determined, subject to the availability of funds, as indicated in the letter by the Executive Secretary to all Parties, dated 14 August 2002. The SBI, at its sixteenth session, invited Parties to submit, by 1 August 2002, their views on possible additional terms of reference for these two workshops. These views are compiled in document FCCC/SBI 2002/MISC.4.

44. The COP at its seventh session further decided to consider, at its eighth session, the implementation of insurance-related actions to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change, as well as those arising from the impact of the implementation of response measures.

45. It is anticipated that the SBI will receive input from the SBSTA, proposing terms of reference for a joint workshop with the United Nations Convention on Biological Diversity and the United Nations Convention to Combat Desertification, and may wish to act on the SBSTA recommendation, taking into account relevant activities undertaken in compliance with decision 5/CP.7.

46. **Action:** The SBI may wish to take note of the above-mentioned report on the workshop on the status of modelling activities and to consider the submissions from Parties on this workshop. It may also wish to consider the submissions from Parties on the two workshops on insurance and propose any further steps.

47. The SBI may wish to review progress made on the activities and recommendations contained in decision 5/CP.7, and, if deemed necessary, to refer this agenda item to the SBSTA for its consideration.

48. The SBI may wish to recommend draft conclusions and/or draft decisions, as appropriate, to COP 8 for consideration and adoption.

(b) Matters relating to the least developed countries

49. **Background:** By its decision 27/CP.7, the COP adopted initial guidance for the operation of the LDC Fund. It decided to consider and adopt further guidance on the operation of the Fund at its eighth session (see also agenda item 5 (b)). By its decision 28/CP.7, the COP also adopted guidelines for the preparation of national adaptation programmes of action (NAPAs) and decided to review, and if necessary revise, these guidelines at its eighth session, taking into account views submitted by Parties (FCCC/SBI/2002/MISC.1 and Add.1) and by the LDC Expert Group (LEG) (FCCC/SBI/2002/MISC.5). The SBI, at its sixteenth session, invited the Chair of the LEG to update the SBI on progress in the implementation of the LEG's programme of work.

50. **Action:** The SBI may wish to develop further guidance on the operation of the LDC Fund. The SBI may also wish to take note of views by Parties and the LEG and to recommend draft conclusions and/or a draft decision on the review and possible revision of the NAPA guidelines to COP 8 for its consideration and adoption. The SBI may also wish to take note of the progress report made by the Chair of the LEG.

8. Request from a group of countries of Central Asia and the Caucasus, Albania and the Republic of Moldova regarding their status under the Convention

51. **Background:** In a letter to the Executive Secretary, dated 27 July 2001, the countries of Central Asia and the Caucasus, and Moldova, sought clarification on two issues: a clear definition of the term "developing countries" or a reference to relevant legal texts containing such a definition, and their status in the context of decisions of the Convention and its Kyoto Protocol, including those prepared at the resumed sixth session of the Conference of the Parties (COP 6 , part two) (see FCCC/CP/2001/12). The SBI, at its sixteenth session, considered this item and requested its Chair to continue his consultations during the intersessional period and report back to it at its seventeenth session.

52. **Action:** The SBI may wish to give further consideration to this matter and to make recommendations thereon to the COP.

9. Arrangements for intergovernmental meetings

(a) Arrangements for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

53. **Background:** In accordance with Article 13 of the Protocol, the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP 1) shall be convened by the secretariat in conjunction with the first session of the COP that is scheduled after the entry into force of the Protocol. The SBI, at its sixteenth session, took note of the information on arrangements for intergovernmental meetings, contained in document FCCC/SBI/2002/4 and views expressed by Parties on the procedural issues concerning the arrangements for the COP/MOP 1, including the need to ensure that the sequencing of meetings of the COP and COP/MOP promotes efficiency and avoids duplication of work. The SBI agreed to consider this issue further at its seventeenth session. The SBI will also have before it document FCCC/SBI/2002/12.

54. **Action:** The SBI may wish to continue its consideration on preparations for COP/MOP 1, in anticipation of the entry into force of the Kyoto Protocol, in order to develop recommendations to the COP and the COP/MOP. The SBI may wish to provide the secretariat with further guidance.

(b) Date and venue of the ninth session of the Conference of the Parties

55. **Background:** Rule 3 of the draft rules of procedure specifies that "the sessions of the Conference of the Parties shall take place at the seat of the secretariat, unless the Conference of the Parties decides otherwise or other appropriate arrangements are made by the secretariat in consultation with the Parties." Rule 4, paragraph 2, also states that "at each ordinary session, the Conference of the Parties shall decide on the date and duration of the next ordinary session." A decision on the date and venue of COP 9 is therefore required at COP 8. The Conference has already agreed on the dates for the second sessional period in 2003, from 1 to 12 December 2003, which will be the dates for COP 9 (FCCC/CP/2001/13/Add.4, section V).

56. At the time of writing, no offer has been received by the secretariat from a Party wishing to host COP 9. Parties wishing to host COP 9 are invited to submit their offers as soon as possible.

57. **Action:** The SBI, after considering any offers from Parties to host COP 9, may wish to recommend, for adoption by COP 8, a decision on the venue for COP 9, and also to request the secretariat to start planning for COP 9 with the designated host country and to enter into the necessary agreement.

(c) Effective participation in the Convention process

58. **Background:** The SBI, at its sixteenth session, added this item to the agenda of its seventeenth session and invited Parties to submit views on this matter. Views from Parties are compiled in document FCCC/SBI/2002/MISC.8. A note prepared by the secretariat to facilitate discussion of this item is contained in document FCCC/SBI/2002/13.

59. **Action:** The SBI may wish to consider views from Parties on this item and the document prepared by the secretariat, and to take any action deemed necessary.

10. Administrative and financial matters

(a) Audited financial statements for the biennium 2000–2001

60. **Background:** The financial procedures of the Convention (FCCC/CP/1995/7/Add.1, decision 15/CP.1) require that a final audited statement of accounts for the full financial period shall be provided to the COP as soon as possible after the accounts for the financial period are closed. The audited financial statements for the biennium 2000–2001 as well as the report of the United Nations Board of Auditors on the financial statements, are contained in document FCCC/SBI/2002/10 and Add.1.

61. **Action:** The SBI may wish to take note of these reports and include relevant decisions in the omnibus draft decision to be adopted at COP 8.

(b) Interim financial performance for the biennium 2002–2003

62. **Background:** The COP, by its decision 38/CP.7, adopted the programme budget for the biennium 2002–2003, and requested the Executive Secretary to report to the COP at its eighth session on income and budget performance and to propose any adjustment that might be needed in the budget. Income and expenditure as well as programme delivery during the first half of 2002 are reported in document FCCC/SBI/2002/11. This document includes an update on personnel matters and administrative arrangements.

63. Information on the latest status (as at 10 October 2002) of contributions by Parties to the core budget, the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities of the UNFCCC is contained in document FCCC/SBI/2002/INF.13.

64. **Action:** The SBI may wish to take note of these reports and include relevant decisions in the omnibus draft decision to be adopted at COP 8. It may also wish to express its appreciation to the Parties that have made timely contributions to the core budget, and especially to those that have made voluntary contributions to the other trust funds. The SBI may also wish to urge Parties that have not made their contributions to do so in a timely manner.

(c) Possible options for responding to late payment of contributions

65. **Background:** Upon considering the report by the Executive Secretary on options for responding to late payment of contributions (see FCCC/SBI/2000/2) and the outcome of the informal consultations, the SBI, at its sixteenth session, requested its Chair to continue his consultations on this sub-item, reformulate the document and present it to its next session.

66. **Action:** The SBI may wish to continue discussion on this sub-item and to recommend a draft decision to COP 8 for its consideration and adoption.

(d) Implementation of the Headquarters Agreement

67. **Background:** At its previous sessions, the SBI considered the implementation of the Headquarters Agreement between the United Nations, the UNFCCC and the Government of Germany. Upon taking note of the report, specifically with respect to progress made by the Government of Germany in providing office space to the UNFCCC secretariat and other United Nations entities in Bonn, developing conference facilities and improving conditions for staff members and their families, the SBI requested the Government of Germany and the Executive Secretary to report on progress made in this area at its future sessions.

68. **Action:** The representative of the German Government and the Executive Secretary will make oral presentations. The SBI may wish to consider the information provided and to take any action it deems necessary.

11. Other matters

(a) Proposal by Croatia on land use, land-use change and forestry

69. **Background:** The Government of Croatia submitted a request to consider its forest management activities under Article 3, paragraph 4, of the Kyoto Protocol (see FCCC/CP/2001/MISC.6/Add.2). The SBI, at its sixteenth session, agreed to resume consideration of this item at its seventeenth session and requested its Chair to continue his consultations and report on their results to the SBI.

70. **Action:** The SBI may wish to take note of the results of the Chair's consultations and take any action it deems necessary.

(b) Any other matters

71. Any other matters arising from the present sessions of the subsidiary bodies or referred to the SBI by the COP would be taken up under this item.

12. Report on the session

72. The SBI may wish to adopt conclusions and authorize the Rapporteur to complete the report after the session under the guidance of the Chair and with the assistance of the secretariat. Subject to the availability of sufficient time for their translation, conclusions will be made available in the six official languages of the United Nations.

Annex

DOCUMENTS BEFORE THE SUBSIDARY BODY FOR IMPLEMENTATION AT ITS SEVENTEENTH SESSION

Documents prepared for the session

FCCC/SBI/2002/6	Report of the Subsidiary Body for Implementation on its sixteenth session, held at Bonn from 10 to 14 June 2002
FCCC/SBI/2002/7	Provisional agenda and annotations. Note by the Executive Secretary
FCCC/SBI/2002/8	National communications from Parties not included in Annex I to the Convention. Executive summary of compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention
FCCC/SBI/2002/9	Implementation of Article 4, paragraphs 8 and 9, of the Convention. Progress on the implementation of activities under decision 5/CP.7. Report of the workshop on the status of modelling activities to assess the adverse effects of climate change and the impact of implemented response measures
FCCC/SBI/2002/10 and Add.1	Administrative and financial matters. Audited financial statements for the biennium 2000–2001
FCCC/SBI/2002/11	Administrative and financial matters. Interim financial performance for the biennium 2002–2003 - income and budget performance as at 30 June 2002
FCCC/SBI/2002/12	Arrangements for intergovernmental meetings. Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
FCCC/SBI/2002/13	Arrangements for intergovernmental meetings. Effective participation in the Convention process
FCCC/SBI/2002/14	Financial mechanism. Review of the financial mechanism. Synthesis report
FCCC/SBI/2002/15	National communications from Parties not included in Annex I to the Convention. Report of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention to the subsidiary bodies
FCCC/SBI/2002/16	National communications from Parties not included in Annex I to the Convention. Fourth compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention

FCCC/SBI/2002/INF.6	National communications from Parties included in Annex I to the Convention. Consideration of the reviews of national communications from Annex I Parties
FCCC/SBI/2002/INF.7	National communications from Parties included in Annex I to the Convention. Progress report on the in-depth reviews of the third national communications
FCCC/SBI/2002/INF.8	National communications from Parties not included in Annex I to the Convention. Revision of the guidelines for the preparation of national communications from Parties not included in Annex I to the Convention. Proposed improved guidelines for national communications from Parties not included in Annex I to the Convention
FCCC/SBI/2002/INF.9	National communications from Parties not included in Annex I to the Convention. Compilation of views by Parties on the proposed guidelines for the preparation of national communications from Parties not included in Annex I to the Convention
FCCC/SBI/2002/INF.10	National communications from Parties not included in Annex I to the Convention. Report of the workshop of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention
FCCC/SBI/2002/INF.11	National communications from Parties not included in Annex I to the Convention. Activities of the secretariat to facilitate the provision of financial and technical support for the preparation of national communications from Parties not included in Annex I to the Convention and information on those communications
FCCC/SBI/2002/INF.12	National communications from Parties not included in Annex I to the Convention. Information on activities taken by the Global Environment Facility
FCCC/SBI/2002/INF.13	Administrative and financial matters. Interim financial performance for the biennium 2002–2003 - Status of contributions as at 10 October 2002
FCCC/SBI/2002/INF.14	Implementation of Article 4, paragraphs 8 and 9, of the Convention. Matters relating to the least developed countries. Input from the Least Developed Countries Expert Group on the improvement of the Guidelines for the preparation of National Adaptation Programmes of Action
FCCC/SBI/2002/MISC.1 and Add.1	Implementation of Article 4, paragraphs 8 and 9, of the Convention. Matters relating to the least developed countries. Views from Parties on the improvement of the Guidelines for the preparation of National Adaptation Programmes of Action

FCCC/SBI/2002/MISC.2	Financial mechanism. Review of the financial mechanism. Compilation of submissions on the review of the financial mechanism
FCCC/SBI/2002/MISC.3	Implementation of Article 4, paragraphs 8 and 9, of the Convention. Progress on the implementation of activities under decision 5/CP.7. Views on issues relating to the workshop on modelling activities and to progress in the implementation of decision 5/CP.7. Submissions from Parties
FCCC/SBI/2002/MISC.4	Implementation of Article 4, paragraphs 8 and 9, of the Convention. Progress on the implementation of activities under decision 5/CP.7. Additional terms of reference for the workshops referred to in 5/CP.7. Submissions from Parties
FCCC/SBI/2002/MISC.6	National communications from Parties not included in Annex I to the Convention. Submissions from Parties on the review of the mandate and the terms of reference of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention
FCCC/SBI/2002/MISC.7	Capacity-building. Views on the extent to which implementation of national capacity needs self assessments addresses activities identified under the initial scope of needs and areas for capacity building listed in the annex to decision 2/CP.7
FCCC/SBI/2002/MISC.8	Arrangements for intergovernmental meetings. Effective participation in the Convention process. Views from Parties
FCCC/SB/2002/INF.2	Methodological issues. Guidelines on reporting and review of greenhouse gas inventories from Parties included in Annex I to the Convention (implementing decisions 3/CP.5 and 6/CP.5). Report on national greenhouse gas inventory data from Annex I Parties for 1990 to 2000

Other documents before the session

FCCC/CP/1995/7/Add.1	Report of the Conference of the Parties on its first session, held at Berlin from 28 March to 7 April 1995. Addendum. Part two: Action taken by the Conference of the Parties at its first session
FCCC/SBI/2000/2	Administrative and financial matters. Late payment of contributions: Response options. Note by the Executive Secretary
FCCC/CP/2001/12	Other matters. Letter from the Central Asia, Caucasus and Moldova countries on their status under the Convention.
FCCC/CP/2001/13 and Add.1-4	Report of the Conference of the Parties on its seventh session, held at Marrakesh from 29 October to 10 November 2001

FCCC/CP/2001/MISC.6/ Add.2	Implementation of the Buenos Aires Plan of Action: Adoption of the decisions giving effect to the Bonn Agreements. Draft decisions forwarded for elaboration, completion and adoption. Land use, land-use change and forestry. Views from a Party. Addendum
FCCC/CP/2002/1/Add.1	Annotations to the provisional agenda of the eighth session of the Conference of the Parties
FCCC/CP/2002/4	Report of the Global Environment Facility to the Conference
FCCC/SBI/2001/14	National communications from Parties not included in Annex I to the Convention. Third compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention. Executive Summary
FCCC/SBI/2001/15	National communications from parties not included in Annex I to the Convention. Report of the Consultative Group of Experts to the subsidiary bodies
FCCC/SBI/2002/3	National communications from Parties included in Annex I to the Convention. Consideration of the reviews of national communications from Parties included in Annex I to the Convention
FCCC/SBI/2002/4	Arrangements for intergovernmental meetings. Note by the Executive Secretary
FCCC/SBI/2002/INF.2	National communications from Parties not included in Annex I to the Convention. Report of the workshop on the revision of the guidelines for the preparation of national communications from Parties not included in annex I to the Convention
FCCC/SBI/2002/INF.3	National communications from Parties not included in Annex I to the Convention. Work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention. Report of the Workshop of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention

NB. Document FCCC/SBI/2002/MISC.5 does not exist because the document originally bearing this symbol now has the symbol FCCC/SBI/2002/INF.14.